THE CITY OF SAN DIEGO
REPORT TO THE CITY COUNCIL

DATE ISSUED: March 4, 2010   REPORT NO:

ATTENTION: Rules, Open Government, & Intergovernmental Relations Committee

SUBJECT: Report from the Department of Information Technology regarding the Help Desk and Desktop Support RFP #9530-09-A

REFERENCE: RFP #9530-09-A

REQUESTED ACTION:

Recommend approval to City Council

STAFF RECOMMENDATION:

The selection committee recommends En Pointe Technologies. Inc. on-shore option as the City's best value.

SUMMARY:

The Purchasing and Contracting Department issued RFP #9530-09-A on September 8, 2009, on behalf of the Department of IT. The RFP requested bids to provide Help Desk and Desktop Support services to the City, excluding the Police Department, to look into opportunities for cost reduction for the service. These services include a Help Desk Services for all City employees to get support for computer applications or computer hardware related problems and Desktop Support Services where a technician is dispatched to fix computer related issues. The services requested are currently provided by San Diego Data Processing Corporation at an annual cost of $2.78M. The RFP also requested for the bidders to offer extended service times (7AM-7PM) as compared to the current operations, as well as value-added services for support of Microsoft Office tools such as Word, Excel, PowerPoint, etc. to our employees, an offering that is an industry standard for Help Desk support. This value-added service will be provided 24x7 by qualified Help Desk support personnel.

The selection team consisted of 7 members representing a cross-section of departments (55% of City staff excluding SDPD) - Public Utilities, Engineering and Capital Projects, Development Services, Fire-Rescue, Library and Information Technology. Nine companies submitted proposals that were reviewed by the team. Following criteria established within the RFP, the

proposals were evaluated and independently scored; and then, based on established criteria, three proposals were selected for further consideration. The three finalist firms were invited back to give an oral presentation on their proposed solution. After evaluating the oral presentations, site visits were performed to get a first hand view and assess their capabilities; and an opportunity for a "best and final offer" was provided. The site visits were deemed essential to perform due diligence and verify capability and observe live call center operations. This was in compliance with Section M of the RFP. Based on the evaluation of each firm's entire proposal, the winning bidder was En Pointe Technologies, headquartered in Gardena, CA.

En Pointe will partner with a local San Diego based company, Gray Systems, to provide desktop support. Gray Systems is a minority owned firm with 50 employees. The services provided by Gray Systems will be based on a Service Level Agreement.

Additionally, En Pointe has proposed two options for Help Desk Operations.

In the first option, En Pointe will be leveraging their Gardena, CA based Help Desk operations to support all incoming calls by City employees from 7AM to 7PM. The off-hours calls (7PM-7AM) would be handled by their India based call center. The second option provided by En Pointe will leverage their Gardena, CA based Help Desk operations to support all incoming calls by City employees 24x7.

The off-hour support will provide value-added services by qualified Help Desk support personnel for support of all Help Desk related issues. Currently Help Desk operations after hours (5:30PM-7AM) consist of password resets handled by a data center/network operations operator as a secondary role supporting the Help Desk. The staffing models are based on En Pointe's experience and maturity in this arena as this is one of their core businesses supporting multiple customers.
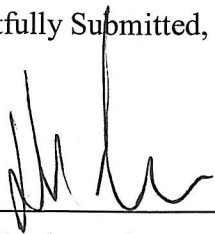
En Pointe Technologies first option bid for the requested services was for a total of $1,192,863.35 for the first year of the contract which consisted of $1,007,503.35 base bid which included $30,000 in transition costs, plus $185,360.00 adjustment for a 20% increase in call volume from the baseline of 4200 incidents per month established in the initial RFP. The City has the option of two 2-year extensions at an annual cost of $1,192,188 for years 2 and 3. The annual cost in years 4 and 5 is $1,222,393.

The second option bid was $1,230,000. This bid consisted of an increased base bid to accommodate the on-shore of all Help Desk services, includes the $30,000 in transition costs and an adjustment for a 20% increase in call volumes. As with the first option, the City has the option of two 2-year extensions at a cost of $1,236,000 for year 2 and $1,273,080 for year 3. The cost in year 4 is $1,311,242 and $ 1,350,610.57 in year 5.

The 20% threshold was established as the original submission did not account for the increased number of City staff using the systems with the recent HCM Payroll go live. The 20% incremental is a not to exceed cost and call volumes will be assessed on a periodic basis (quarterly) to determine any incremental over the baseline. After the first year, as a comparison, the City will save approximately $1.5M per year based on the $2.7M the City is paying SDDPC in FY10 for similar services.

The selection committee recommends En Pointe Technologies. Inc. on-shore option as the City's best value.

Respectfully Submitted,

Naresh Lachmandas,
Director, Department of Information Technology